classified as Class II and Class III pursuant to §1004.44, computed by multiplying the skim milk pounds so assigned by the percentage of nonfat milk solids in the handler's receipts of producer skim milk during the month for each report filed, separately, the result to be multiplied by the nonfat milk solids price for the month computed pursuant to §1004.50(e).

(k) For producer milk in Class III–A, add or subtract as appropriate an amount per hundredweight that the Class III–A price is more or less, respectively, than the Class III price.

(l) Subtract, for reconstituted milk made from receipts of nonfluid milk products, an amount computed by multiplying $1.00 (but not more than the difference between the Class I price applicable at the location of the pool plant and the Class III price) by the hundredweight of skim milk and butterfat contained in receipts of nonfluid milk products that are allocated to Class I use pursuant to §1004.43(e);

(m) Exclude, for pricing purposes under this section, receipts of nonfluid milk products that are distributed as labeled reconstituted milk for which payments are made to the producer-settlement fund of another order under §1004.76(b)(5) or (c); and

(n) For pool plants that transfer bulk concentrated fluid milk products to other pool plants and other order plants, add or subtract the amount per hundredweight of any class price change from the previous month that results from any inventory reclassification of bulk concentrated fluid milk products that occurs at the transferee plant. Any such applicable class price change shall be applied to the plant that used the concentrated milk in the event that the concentrated fluid milk products were made from bulk unconcentrated fluid milk products received at the plant during the prior month.

[56 FR 61349, Dec. 3, 1991, as amended at 57 FR 175, Jan. 3, 1992; 58 FR 27782, May 11, 1993]

§ 1004.61 Computation of weighted average differential price and producer nonfat milk solids price.

For each month the market administrator shall compute a ''weighted average differential price'' and a ''producer nonfat milk solids price'', as follows:

(a) The ''weighted average differential price'' shall be the result of the following computations:

(1) Combine into one total:

(i) The value computed pursuant to §1004.60 (a) through (h) for all handlers who filed the reports prescribed by §1004.30 for the month and who made the payments pursuant to §1004.71 for the preceding month;

(ii) An amount equal to the total value of the location differentials computed pursuant to §1004.75;

(iii) An amount equal to not less than one-half of the unobligated balance in the producer-settlement fund.

(2) Divide the total value calculated under paragraph (a)(1) of this section by the sum of the following for all handlers:

(i) The total hundredweight of producer milk pursuant to §1004.13 represented by the value established pursuant to (1)(i) of this paragraph; and

(ii) The total hundredweight for which a value is computed pursuant to §1004.60(h).

(3) Subtract not less than 4 cents nor more than 5 cents per hundredweight. The result shall be the ''Weighted average differential price.''

(b) [Reserved]

(c) The ''Producer nonfat milk solids price'' to be paid to all producers for the pounds of nonfat milk solids contained in their milk shall be computed by the market administrator each month as follows:

(1) Combine into one total the values computed pursuant to §1004.60 (i) and (j) for all handlers who made reports pursuant to §1004.30 and who made payments pursuant to §1004.71 for the preceding month;

(2) Divide the resulting amount by the total pounds of nonfat milk solids in producer milk; and

(3) Round by subtracting a positive amount not to exceed one cent. The result is the ''Producer nonfat milk solids price.''

[56 FR 61350, Dec. 3, 1991; as amended at 61 FR 69017, Dec. 31, 1996]